

**PI External Reviews: Summary of Report  
Trade, Employment And Competitiveness (TEC)**

Report to IDRC Board of Governors  
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Reviewer:

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Summary prepared by Evaluation Unit

## PI Aims

1. The general objective of the TEC PI is to enable developing countries to participate more effectively in the global economy. Specific objectives are to:
  - 1.1. Improve developing countries' negotiation and bargaining capacities;
  - 1.2. Contribute to the design of instruments, processes and procedures allowing developing countries to better profit from global opportunities;
  - 1.3. Assist developing countries to promote coherence between their domestic economic policies and their international trade policies.
2. TEC has used a range of strategies to promote policy relevant research, in consonance with the objectives of raising indigenous capacity for quality research, increasing the policy relevance of such research, and ensuring the convergence of domestic and international trade policy in developing countries.

## Review Methodology

3. The review used desk-based scrutiny of documents, interviews with key informants within and outside IDRC, and field visits. Four projects were selected for in-depth analysis. In all, twenty-five interviews were conducted.

## Review Findings

4. TEC has been making steady progress toward its **general objective**, primarily through strengthening the negotiating ability of partners. The major input has been investment in raising the potential quality of debates through relevant research in trade policy matters and its dissemination to the policy making community and other stakeholders.
5. The PI has **evolved** in a number of ways in the last three years. While trade policy continues to be the major focus, the program has moved towards a relatively greater emphasis on domestic policies, such as domestic competition policies. This is being done to address the third specific objective.
6. The PI's three **specific objectives** can be seen to be mutually reinforcing. However, for any one project at a given point in time, with limited human and financial resources, there may be significant tensions between the three objectives. One tension is the issue of indigenous capacity-building for trade-related research *versus* the need for quick yet credible research-based advice for use by trade negotiators. With planning and foresight, these tensions can be handled.

7. TEC has had a strong global component, as well as regional and national projects spread over three continents. **Projects** under the TEC PI are perceived to be of three different varieties: network-based projects, “pure research” projects which are basically academic and advisory in their thrust, and projects that try to bring together research and advocacy components through civil society and NGO-based initiatives. The TEC team has also spent a lot of effort on “program development” through workshops and scoping studies, demonstrating the responsiveness of program management to changing contexts and opportunities.
8. TEC has evolved from its earlier profile in which it inherited a set of older projects. The resultant tension is apparent even from the nomenclature of TEC, where the three themes of ‘Trade’, ‘Employment’ and ‘Competitiveness’ are clubbed together, seemingly at par, although judging by all indicators, **trade concerns** clearly take precedence over the other two themes of ‘Employment’ and ‘Competitiveness’.
9. Given the volatile context of international trade regimes, and the widely diverse quality of research and policy environments within the developing world itself, TEC has had to constantly strive for a balance between relatively longer run research needs and shorter run policy demands on the one hand, and between different objectives, strategies and modalities of functioning on the other. Given the nature of the challenges, the **performance** of the program in terms of outputs, outreach and outcomes has been commendable.
10. The **output** of the PI has been fairly prodigious and also of generally good quality. It has taken a variety of forms: books, discussion papers, research reports, newsletters, policy briefs, summary research findings and brochures, as well as project websites and dissemination through the internet, and a range of activities such as training courses, national and international conferences and focused meetings.
11. **Research outputs** from some of the predominantly academic projects such as Red-MERCOSUR (a network on Mercosur issues) would qualify for front ranks in the area of trade-related research in Latin America in terms of technical rigour. This is not the case for some of the research output from projects such as the South African Trade Research Network (SATRN) or the Common Market for Eastern and Southern Africa (COMESA) project. The Latin American Trade Network (LATN), less of a purely academic project than MERCOSUR, has also produced a large number of working papers and policy briefs which are generally of very good quality and have been disseminated widely.
12. Clearly the level of staff involvement will have to be higher to reach a certain level of output **quality** where the base is weaker. The G-24 project needed

very little staff time because of the partners' high level of expertise. In comparison, projects such as the Vietnam Economic Research Network (VERN) have needed higher involvement of staff time and resources.

13. Other **outputs** are less easily delineated but are a positive contribution towards reaching the PI's objectives. For example, one of the outputs in the COMESA project has been the creation of direct **links** between the COMESA secretariat and some of the best available researchers that the project has helped identify.
14. A major **outcome** of TEC has been the forging of links within the research community to orient the community towards coordinated research on international trade-related issues, in situations where the basic research expertise had already existed to a certain extent. This is evident in projects like LATN and MERCOSUR. In situations where such expertise did not exist, such as in the African continent, TEC, and IDRC, have helped develop such expertise and linkages (e.g., SATRN, COMESA).
15. Additional **process outcomes** include the following:
  - 15.1. The PI has linked "weaker" partners and environments with stronger ones, such as Paraguay in MERCOSUR and Central America with LATN, to reap scale economies and benefit from demonstration effects;
  - 15.2. In the VERN project in Vietnam, through a system of open call for research proposals on the internet, TEC has managed to introduce a measure of competition and transparency in the economics research community where nothing of its kind previously existed.
16. TEC has made progress in ensuring greater **policy relevance** of research. There is a much more pronounced emphasis in projects on reaching out to policy makers through policy briefs and increasing dissemination to the larger community through the internet. Gentle persuasion by TEC staff has been one of the main factors behind higher efforts in production of policy briefs and policy relevant research. For example, the LATN project has been targeting policy makers through outputs and involvement in meetings, as well as producing small briefing notes, abridged versions of findings, news briefs, and other materials.
17. Some TEC projects may be seen to have stimulated not only the supply of policy-oriented research, but also the **demand** for it. While the MERCOSUR project resulted in more books being published, the COMESA project seems to have resulted in more reports being read by the target civil servants. On the other hand, it can be argued that democratic debate is more lively in MERCOSUR countries than in COMESA ones. The books published by the

MERCOSUR project would have reached a much wider educated elite, one that matters in the democratic process.

18. The VERN project has been almost wholly focused on research. Its primary objective has been to build **indigenous research capacity**, and to put in place a transparent research environment. There has been no attempt to request proposals on themes or issues of immediate “policy relevance”, although this might be possible.
19. There is still not much evidence of any substantive direct impact of TEC-funded research on **policy making** as such. Rather, the thrust in the projects has been to create demand and to increase the knowledge base, “enlighten” the stakeholders, expand the agenda, and present the options, in order that more informed policy decisions can be taken. Also, by making the demand for policy-oriented research solvent, projects help sustain an ongoing profession of economic research in some countries.
20. The contribution that TEC, and IDRC, has made to the process of **developing indigenous research capability** around trade related issues is widely recognized. The sustained effort by the program management to bolster indigenous capabilities and ownership has over the years begun to bear fruit.
21. TEC has taken some bold steps to take on the challenge of bringing non-governmental organisations (NGOs) and **civil society** groups into effective partnership with the program, for example through projects with the South Asian Civil Society Network on International Trade Issues (SACSINITI). SACSINITI works through networking and NGO advocacy instruments. TEC does not currently have many projects with substantive NGO involvement, and there are opportunities here.
22. In an area such as international trade, it is natural that there would have to be some degree of Northern participation. TEC has used substantive **Northern expertise** in many of its projects, and the global projects of TEC are skewed towards Northern participation, for good reasons. The mix of Northern and Southern expertise has to be decided on a case-by-case basis.
23. While TEC has been insisting on incorporation of **gender** in project activities, this has not yet resulted in genuine gender “mainstreaming” of TEC projects in any substantive manner. However, TEC has succeeded *in raising awareness* among project partners about “gender” as an issue needing attention. Currently, three TEC projects directly address gender, whereas for most other projects in TEC’s portfolio, gender is not an issue. Nonetheless, the emphasis that IDRC places on the gender component of projects appears to have had some impact. One visible effect of this has been conscious attempts by project personnel to induct women researchers in their projects.

24. TEC has taken up many of the **strategies** mentioned in its Prospectus, including the development of regional trade networks, spreading to new geographical areas of operation such as Central America, and exploring possibilities for moving into non-traditional areas such as competition policy and trade in services. TEC's achievements in adopting multi-disciplinary research and developing inter-PI linkages have been somewhat less spectacular than in other dimensions of its activities. One area where inter-PI linkages have been sought is in gender, an example of which is the recently initiated project on 'Knowledge Networking Program on Engendering Macro-Economics and International Economics', a training program targeted to young economists in the interface of TEC and MIMAP.
25. Several factors make the work of TEC challenging, not the least of which are the diverse and shifting research and policy **environments** within which it works. TEC has taken these in stride and weathered the challenges reasonably well.
26. TEC **program personnel** have been strategically involved in assessing the nature and extent of requisite support in different projects, and then providing such support. The team has been vigilant in monitoring progress and providing assistance to projects when there has been a perceived need. What is commendable is that all this has been done in an atmosphere of participation, with a minimal degree of unsolicited intervention, ensuring that in the perception of the project partners, ownership is invested in them. One constraint to note is the heavy project load on the TEC team leader.

### Issues for Consideration

27. TEC has incorporated several changes in its functioning based on informed analysis and recommendations of past **evaluations**. It has for instance acted upon the recommendation of an earlier review and taken active measures to search out niche areas of research around new trade issues. Similarly, it has moved forward with the recommendation of investing ownership and control in southern institutions in a number of new projects.
28. TEC may need to develop a better articulated program design which would help allocate its resources between the many facets and modalities of its diverse portfolio, with the associated risks and gains. Instead of striving for a balance along all dimensions as a goal in itself, it would help the PI to deepen its involvement in a fewer number of thrust areas for greater program effectiveness.
29. TEC has done well in terms of working with the research community. Its record in persuading Third World researchers to reach out to the policy

community in order to ensure better policy relevance of research has been good. TEC may now need to hone its expertise to work with credible NGO's and Civil Society Groups, these being agencies which are becoming increasingly difficult to ignore in international trade negotiation processes. This will also help the PI to enlarge the domain of policy relevant research by including issues that are of particular interest from the perspective of developing countries, while at the same time broadening the quality and scope for meaningful discourse.

30. The TEC team might consider pushing the gender agenda further at least in some of their projects, perhaps through gentle persuasion coupled with practical suggestions on how it can be done in specific contexts.